

CLEARBRIDGE DIVIDEND STRATEGY ESG ETF

Investment overview

ClearBridge Dividend Strategy ESG ETF (YLDE) is an actively managed strategy that seeks attractive income growth and capital appreciation over time by seeking to invest in dividend paying stocks with positive ESG attributes.

- YLDE may benefit investors targeting dividend income, growth of dividend income and long-term capital appreciation —along with engaged, impactful investing—all in an active, tax-efficient structure.

Strategic Differentiators:

- Targets compelling dividends. Seeks companies with the potential to pay a rising stream of dividends.
- Fosters engaged, impactful investing. Allows investors to simultaneously pursue financial return and social good.
- Access to a proven approach in an active, tax-efficient structure with low minimum investment.

Investment Process:

- To start, large-cap companies with compelling dividends that have been growing are evaluated for strong balance sheets, dominant market positions and potential for dividend growth through innovative products and services. Select from these candidates those with attractive valuations.
- Favor companies that promote best practices when it comes to the environment, social issues and corporate governance.
- Re-examine a current holding when fundamentals decline, full value is reached or there is a significant negative change in the company's environmental/social/governance performance.

Top 10 holdings (%) as of Sept. 30, 2020

Microsoft Corp	5.6
Apple Inc	4.8
Comcast Corp	3.2
United Parcel Service Inc	3.1
Visa Inc	2.9
Procter & Gamble Co/The	2.8
PPG Industries Inc	2.5
Merck & Co Inc	2.5
Mastercard Inc	2.5
Nestle SA	2.5

Sector allocation (%) as of Sept. 30, 2020

Information Technology	19.8
Consumer Staples	12.9
Materials	11.1
Health Care	9.8
Industrials	9.7
Financials	9.6
Communication Services	6.7
Utilities	5.1
Consumer Discretionary	4.0
Energy	3.2
Real Estate	2.9
Cash	5.4

Fund Data as of Sept. 30, 2020

NASDAQ Symbol	YLDE
Listing Exchange	NASDAQ - XNMS
Expense Ratio (gross/net)	0.60/0.60
CUSIP	524682309
IOPV / IIV ¹	YLDE.IV
Net Asset Value (NAV) ²	\$32.51
Market Price ²	\$32.54
Premium/Discount ³	.1%
Net Assets	\$11.4M
Fund Benchmark	S&P 500 Index (USD)
Fund Benchmark Ticker	SPTR500N
Inception Date	05/22/17
Fiscal Year End	Nov
Distribution Frequency, if any	Quarterly
Lipper Category	Equity Income Funds
Morningstar Category	Large Blend

Statistics as of Sept. 30, 2020

Weighted Average Market Cap	\$332.0B
Price/book ratio ⁴	7.5
Harmonic P/E ratio (trailing 12 months) ⁵	23.3
Harmonic P/E ratio (forecasted 12 months) ⁶	21.7
Number of holdings	51
30-day SEC yield ⁷	1.73%

Market Capitalization (%) as of Sept. 30, 2020

Over \$50 billion	78.3
\$25-50 billion	12.1
\$10-25 billion	9.7

¹ **The Indicative Optimized Portfolio Value (IOPV)** represents the underlying basket of securities plus the cash component and it is updated every 15 seconds through the trading day.

² **Net Asset Value (NAV)** is total assets less total liabilities divided by the number of shares outstanding. **Market Price**, determined by supply and demand, is the price an investor purchases or sells the fund. The Market Price may differ from a fund's NAV.

³ Shareholders may pay more than net asset value when they buy Fund shares and receive less than net asset value when they sell those shares, because shares are bought and sold at current market prices.

⁴ The **price book ratio (P/B)** of a fund is the weighted average of the price book ratios of all stocks in a fund. The price-to-book (P/B) ratio is a stock's price divided by the stock's per share book value.

⁵ **Harmonic P/E ratio trailing 12 months:** The harmonic average is the inverse of the average of the inverse of each data point. In other words, it is the reciprocal of the average of the reciprocals. Data points with a value of zero and NA are excluded from the calculation. The price earnings ratio of a fund is the weighted average of the price earnings ratios of the stocks in a fund.

⁶ **Harmonic P/E ratio forecasted 12 months:** The harmonic average is the inverse of the average of the inverse of each data point. In other words, it is the reciprocal of the average of the reciprocals. Data points with a value of zero and NA are excluded from the calculation. **The P/E ratio** is arrived at by dividing the stock or share price by the earnings per share (profit after tax and interest divided by the number of ordinary shares in issue).

⁷ The **30-day SEC yield** is based on dividends accrued by the Fund's investments over a 30-day period, and not on the dividends paid by the fund, which may differ and are subject to change.

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Average Annual Total Returns (%) as of Sept. 30, 2020

Inception Date: May 22, 2017

	1 Mo	3 Mo	1-Yr	3-Yr	5-Yr	10-Yr	Since Fund incep
Market Price	-1.96	8.82	5.61	9.63	–	–	10.15
NAV	-1.91	8.58	5.85	9.62	–	–	10.12
Benchmark	-3.80	8.93	15.15	12.28	–	–	12.82

Cumulative Total Returns (%) as of Sept. 30, 2020

	YTD	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Market Price	-0.08	29.29	-3.93	–	–	–	–	–	–	–	–
NAV	-0.12	29.41	-3.94	–	–	–	–	–	–	–	–
Benchmark	5.57	31.49	-4.38	–	–	–	–	–	–	–	–

Performance shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than the original cost. Retail investors buy and sell shares of ETFs at market price (not NAV) in the secondary market throughout the trading day. These shares are not individually available for purchase or redemption directly from the ETF. The NAV return is based on the NAV of the Fund and effective July 1, 2020, market price returns typically will be based upon the official closing price of the ETF's shares. Prior to July 1, 2020, market price returns generally were based upon the mid-point between the bid and ask on the Fund's principal trading market when the Fund's NAV was determined, which was typically 4:00 p.m. Eastern time (US). Market price performance reported for periods prior to July 1, 2020 will continue to reflect market prices calculated based upon the mid-point between the bid and ask on the Fund's principal trading market typically as of 4:00 p.m. Eastern time (US). These returns do not represent investors' returns had they traded shares at other times. Performance figures for periods shorter than one year represent cumulative figures and are not annualized. YTD is calculated from January 1 of the reporting year. For the most recent month-end information, please visit www.leggmason.com. Return figures for periods over one year are annualized.

Fund Benchmark:

The **S&P 500 Index** is a capitalization-weighted, composite index of 500 stocks designed to measure the performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. An investor cannot invest directly in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges.

If you are neither a resident nor a citizen of the United States or if you are a non-U.S. entity, the ETF's ordinary income dividends (which include distributions of net short-term capital gains) will generally be subject to a 30% U.S. federal withholding tax, unless a lower treaty rate applies. For further information, please see the ETF's prospectus which is available on the website www.leggmason.com. Redemption payments will be effected within the specified number of calendar days following the date on which a request for redemption in proper form is made. For more information, please see the ETF's statement of additional information (SAI) which can be found on www.leggmason.com.

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Before investing, carefully consider a Fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, or summary prospectus, if available, which is available at www.leggmason.com. Please read it carefully.

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Portfolio management

John Baldi (industry since 1998), Michael Clarfeld, CFA (industry since 2000), Scott Glasser (industry since 1991), Mary Jane McQuillen, Head of the Environment, Social and Governance (ESG) Investment Program at ClearBridge (industry since 1997) and Peter Vanderlee, CFA (industry since 1999) are co-managers of your Portfolio.

ClearBridge Investments offers institutional and individual investors a variety of traditional and alternative equity strategies. With an investment heritage dating back over 50 years, ClearBridge offers distinctive manager insights and proprietary fundamental research.

What should I know before investing?

The Fund is newly organized, with a limited history of operations. Equity securities are subject to price fluctuation and possible loss of principal. In addition to investments in large-capitalization companies, investments may be made in small-cap and mid-cap companies which involve a higher degree of risk and volatility than investments in larger, more established companies. Dividends may fluctuate and a company may reduce or eliminate its dividend at any time. Investments may also be made in depository receipts and other securities of non-U.S. companies in developed and emerging markets which involve risks in addition to those ordinarily associated with investing in domestic securities, including the potentially negative effects of currency fluctuation, political and economic developments, foreign taxation and differences in auditing and other financial standards. These risks are magnified in emerging markets. The fund's environmental social and governance (ESG) investment strategy may limit the types and number of investment opportunities available to the fund and, as a result, may underperform funds that are not subject to such criteria. The managers may sometimes hold significant portions of portfolio assets in cash equivalents while waiting for buying opportunities. Active management and diversification do not ensure gains or protect against market declines.

Where can I find more information?

Online you'll find the most current performance data, commentary, prospectus and more information on each of our managers and products. Before investing, carefully consider a fund's investment objectives, risks, charges and expenses. You can find this and other information in each prospectus, and summary prospectus, if available, at www.leggmason.com. Please read the prospectus carefully.



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